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# Medicare Intermediary Manual

## Part 3 - Claims Process

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Department of Health &  
Human Services (DHHS)  
Centers for Medicare &  
Medicaid Services (CMS)

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CHANGE REQUEST 1975

**HEADER SECTION NUMBERS**

3114 (Cont.)

**PAGES TO INSERT**

3-42.5 (1 p.)

**PAGES TO DELETE**

3-42.5 (1 p.)

**NEW/REVISED MATERIAL--*EFFECTIVE DATE*: January 11, 2002**

***IMPLEMENTATION DATE*: January 11, 2002**

Section 3114, Ambulance Service, revises subsection C.11.h to delete the requirement to review all claims for air ambulance services.

**These instructions should be implemented within your current operating budget.**

c. Time Needed for Land Transport.--Differing Statewide Emergency Medical Services (EMS) systems determine the amount and level of basic and advanced life support land transportation available. However, there are very limited emergency cases where land transportation is available but the time required to transport the patient by land as opposed to air endangers the beneficiary's life or health. As a general guideline, when it would take a land ambulance 30-60 minutes or more to transport an emergency patient, consider air transportation appropriate.

d. Appropriate Facility.--It is required that the beneficiary be transported to the nearest hospital with appropriate facilities for treatment. The term "appropriate facilities" refers to units or components of a hospital that are capable of providing the required level and type of care for the patient's illness and that have available the type of physician or physician specialist needed to treat the beneficiary's condition. In determining whether a particular hospital has appropriate facilities, take into account whether there are beds or a specialized treatment unit immediately available and whether the necessary physicians and other relevant medical personnel are available in the hospital at the time the patient is being transported. The fact that a more distant hospital is better equipped does not in and of itself warrant a finding that a closer hospital does not have appropriate facilities. Such a finding is warranted, however, if the beneficiary's condition requires a higher level of trauma care or other specialized service available only at the more distant hospital.

e. Hospital to Hospital Transport.--Air ambulance transport is covered for transfer of a patient from one hospital to another if the medical appropriateness criteria are met, that is, transportation by ground ambulance would endanger the beneficiary's health and the transferring hospital does not have adequate facilities to provide the medical services needed by the patient. Examples of such services include burn units, cardiac care units, and trauma units. A patient transported from one hospital to another hospital is covered only if the hospital to which the patient is transferred is the nearest one with appropriate facilities. Coverage is not available for transport from a hospital capable of treating the patient because the patient and/or his or her family prefers a specific hospital or physician.

f. Special Coverage Rule.--Air ambulance services are not covered for transport to a facility that is not an acute care hospital, such as a nursing facility, physician's office or a beneficiary's home.

g. Special Payment Limitations.--If a determination is made that transport by ambulance was necessary, but land ambulance service would have sufficed, payment for the air ambulance service is based on the amount payable for land transport, if less costly.

If the air transport was medically appropriate (that is, land transportation was contraindicated and the beneficiary required air transport to a hospital), but the beneficiary could have been treated at a nearer hospital than the one to which he or she was transported, the air transport payment is limited to the rate for the distance from the point of pickup to that nearer hospital.

h. Documentation.--Obtain adequate documentation of the determination of medical appropriateness for the air ambulance service.

